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THE FORCES MOULDING THE ECONOMIC PROSPECTS

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Department of Economics  
and Development

September 11, 1964







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## THE FORCES MOULDING THE ECONOMIC PROSPECTS

### Introduction

The forces that are moulding Canada's economic prospects are emerging out of the past. This does not mean that the future is an extrapolation of the past, but that we can identify the emerging forces that will exert a dominant influence on our prospects (assuming the absence of unpredictable events such as a major war).

In order to identify these emerging forces we must examine the past, and in order to assess their impact we must relate them to the economy in terms of consumption, production and productivity. The first task is to determine how the present differs from the past and the next task is to visualize how the **future** will differ from the present. How did we arrive where we are? What is the nature of the present situation, and how will the future emerge?

### I The Origins of the Postwar-Boom

The post-war boom grew out of depression and war. During the Great Depression there was a drastic decline in per capita expenditures for consumer durables, residential construction and business producers' goods (e.g. plant and equipment), implying a massive deferral of demand in Canada. In addition, there was an enormous amount of deferred technological improvement. The deferred expenditures implied a running down of household and business assets, and a shrinkage in the debt structure of the economy.

In the Second World War, government expenditures expanded, but private demand on the part of households and business continued to run far below the pre-depression per capital levels, and technology continued to lag behind. The





swift expansion in employment and incomes during the war along with continued deferral of demand meant further suppression of the levels of private fixed assets and debts and a cumulating flood of household and business liquidity.

Per Capita Components of Gross National Expenditure  
in Constant 1949 Dollars

	<u>1926-29</u>	<u>1930-39</u>	<u>% Change</u>	<u>1940-45</u>	<u>Implicit Deferred Demand</u>
	\$	\$		\$	\$ billion
Consumer durables	62.03	50.86	-18.0	46.48	2.8
Residential Construction	42.51	28.65	-22.6	33.60	2.4
Business gross fixed capital formation(1)	120.86	66.61	-44.9	87.75	8.8
Exports of goods and services	263.20	244.14	- 7.2	383.76	
Imports of goods and services	276.13	233.40	-15.5	326.88	
Current account balance	-12.93	+10.74		+56.88	
Government expenditure for goods & services	92.32	104.38	13.1	373.36	

(1) Excluding residential construction, i.e., comprising non-residential construction and machinery and equipment.

It is calculated that by 1945 there was a backlog of demand for consumer durables of \$2.8 billion, for residential construction of \$2.4 billion and for business producer goods of \$8.8 billion, for a total of \$14 billion, and the private gross final domestic demand at that time amounted to only \$10.4 billion!





## II The Post-War Boom

### A) 1946 - 1953

This backlog of private demand and the liquidity to support it were to exert their impact on the economy at a time when international restraints (in the form of foreign competition) would be absent and, indeed, Canada would be supplementing domestic demand with assistance to foreign countries. In addition the economy would experience the demands of war veterans returning to the market backed by re-establishment and other credits granted by the government. Furthermore, in 1950 Canada plunged into the Korean War, and government expenditures in constant dollars increased by another \$1.1 billion before it was over. Almost immediately after the Second World War price controls had been dismantled. Prices rose by only 5 per cent from 1946 to 1949 despite the liquidity and backlogs, but the price rise amounted to 27.2 per cent during the Korean War.

As a result of the Korean War boom, incomes were swollen, while the attempt to satisfy the backlog of demand increased assets and debts. In the meantime, marriage rates had increased owing to prosperity, the war veterans, and the high birth rates prior to the Great Depression, with the result that the birth rate increased and population growth accelerated. The construction boom set off by family formation and the backlogs and liquidity raised residential construction by more than 50 per cent from 1946 to 1953.

By the end of 1953, the backlogs of consumer durables and residential construction had been worked off, but two sources of demand remained. In the first place, there was still a shortfall of \$4.5 billion in business producer goods, and in the second place there was a household penetration market beyond the depths reached during the 1926-29 period, and both of these conditions existed in the presence of remaining high levels of household and business liquidity in 1953.





B) 1954 - 1957

After the brief interruption following the Korean War, the economy began another expansion, this time powered by the efforts of business to catch up on investment in producers' goods, and the high levels of family formation and immigration. During this period there was a steady erosion of liquidity as corporations expanded their facilities, and families increased their durables and liabilities. Both business and families ended the period with a higher proportion of their income committed to debt contracts, but equity investors also increased their assets through the swollen values of corporate securities, and many households found their assets increased by the boom in real estate values.

The capital investment boom, aggravated by the Paley Report on natural resources, and the St. Lawrence Seaway project, was given an extra fillip in the latter part of 1956 by the Suez crisis, which swelled exports to foreign countries. But the exuberance was short-lived.

By 1957, markets had been saturated far beyond the 1926-29 levels of penetration, business had overcome the backlog in producers' goods, and the economy had entered a stage of fierce competition.





### III The Period of Slow Growth and then Recovery

#### A) 1958 - 1960

Despite the fact that the post-war tide was running out, the authorities intensified the fight against inflation, and the two trends brought the recession of 1957 - 58. How much the situation had changed was ignored completely at the time. Markets had been saturated, competition was fierce, the money supply was virtually stagnant, liquidity was low, interest rates had almost doubled, prices were rising considerably more slowly, international competition was reviving swiftly, profit margins were narrowing with the squeeze of competition, the capital investment boom had about exhausted the technological reservoir, and at the same time business performance was turning its attention from expanding facilities to modernizing them. Business had turned its attention from expanding production to producing at lower cost. Design turned from general creativity to proliferation of detail, and under the impact of competition marketing costs increased rapidly as a charge against income.

The expansion of 1959 was fighting against these obstacles plus the handicaps of deflationary monetary and fiscal policy, and its short life expired early in 1960.

#### B) 1960 - 1962

The result of the recession of 1960 was that the unemployment ratio never recovered its 1957 level. At the same time demographic forces made their influence felt. Immigration and the young adult group began to decline, the marriage rate declined, household formation fell, the birth rate declined and the veterans ceased to be a source of dynamism, but during the brief expansion the authorities continued to fight the bogey of inflation.





The great cyclical industries, such as motor vehicles, had been aborted by 1960, but the automatic fiscal stabilizers continued to operate and the customary recession policy of expanding banking reserves was set in motion. Nevertheless, the recovery that began in early 1961 was relatively slow, and by 1962 an early recession was being forecast. The stock market contraction in 1962 added to the uncertainty, malaise and dire predictions of rising unemployment ratios. The financial crisis at mid-year, however, resulted in the depreciated exchange rate being fixed and in the imposition of tariff surcharges, with the result that imports were cut sharply, Canadian producers became more competitive in domestic and foreign markets, and the economy expanded in real terms by 6.2 per cent over the recession level of 1961.

C) 1962 - 1964

The Kennedy election had brought a new range of fiscal and monetary policy into operation in 1961, furthermore, and the revolution was gathering momentum. It was being accepted that fiscal policy should be designed to stimulate economic growth, by achieving balance over the long-term cycle, but running adequate deficits so long as the economy was expected to operate otherwise below its potential. More attention was being turned to the backlog of public capital and the relatively poor quality of human capital in the economy. Furthermore, the message had penetrated to monetary authorities, and growth was accepted as one of the objectives of policy. The result of the revolutionary fiscal and monetary policies in the U.S. was an increase in liquidity along with stable interest rates.

In the meantime, the Canadian exchange rate was being worked down, and as a result of the financial crisis of 1962, the rate was fixed at almost an 8 per cent discount from the U.S. dollar. Furthermore, fiscal policy was developing. In 1962, the U.S. government introduced investment credits





and accelerated depreciation. In 1963, the Canadian government introduced accelerated depreciation and tax holidays for designated areas and accelerated depreciation for companies with a degree of Canadian ownership that invested in machinery and equipment, and the winter housing bonus was introduced. In the meantime Federal-Provincial financial relations had been somewhat improved to enable the provinces to proceed with their development policies.

These moves took place within the context of changing international conditions, as the overseas markets experienced rapid growth and price rises, thus opening the door to exports while the discounted Canadian dollar provided an advantage to Canadian industry in both the export and domestic markets.

The policies were supplemented in mid-1963 by the arrangement of a special wheat contract with the Soviet Union, and in 1964 the U. S. government enacted a substantial cut in the tax rates on personal and corporate income. In the meantime, replacement demand and the increase in multi-car families had accelerated production in the motor vehicle industry, and the early adoption of modern steel-producing methods enable the Canadian steel industry to displace most imports and compete effectively in export markets, particularly with the assistance of the depreciated Canadian dollar.

The result of these policies and special circumstances was a rise in Canadian exports, the revival of the great cyclical industries and finally the surge of capital investment in 1964.





#### IV The Emerging Forces

The great revolution of this time is the transformation of fiscal and monetary policy.<sup>(1)</sup> Yet at a deeper level several forces are emerging that also are transforming the economic system, or will be.

1. In the first place, although population growth is slowing down, we must recognize the size of the generation that is about to enter the labour and consumer markets. The population aged 20 to 24 has already been expanding quickly, but the rate of increase will jump by 71 per cent over the next three years.

	<u>Population Aged 20-24</u>		
	<u>'000</u>	<u>Change</u> <u>Amount</u>	<u>%</u>
1961	1,184		
1964	1,308	124	10.5
1967	1,543	235	18.0
1970	1,806	263	17.0
1973	2,013	207	11.5

Following 1970, the largest increase will take place in the age-group 25 to 34.

- (1) While monetary policy was providing liquidity for the system, fiscal policy was supporting aggregate consumption and investment. Private savings were tending to outstrip private investment, a tendency which would depress aggregate demand and production. The surplus private savings were borrowed and put to work by the government, and the borrowing simultaneously provided guaranteed earning assets for financial institutions and individual bondholders.





Adult Population, by Age Groups  
(Thousands)

	<u>1964</u>	<u>1967</u>	<u>1970</u>	<u>1973</u>	<u>Amount Change</u>			<u>% Change 1964-70</u>
					<u>1964-67</u>	<u>1967-70</u>	<u>1970-73</u>	
18-19	627	733	801	849	106	68	48	27.8
20-24	1,308	1,543	1,806	2,013	235	263	207	38.1
25-34	2,433	2,466	2,620	2,939	33	154	319	7.7
35-44	2,513	2,548	2,530	2,490	35	- 18	- 40	0.7
45-54	2,006	2,150	2,292	2,412	144	142	120	14.3
55 and over	2,855	3,117	3,305	3,557	262	188	252	15.7

As the above table shows, there will be substantial increases in the marrying age group over the next six years, and in the age groups over 45, but the age group 35 to 44 will remain steady.

Although the younger adult age groups will be increasing quickly in numbers, their market impact will depend upon their incomes which depend in turn upon both the opening of job opportunities and the degree of matching between skills and job requirements. The pressure of supply relative to demand may moderate income levels. Their spending will be concentrated largely on the basic essentials such as food, clothing, transportation and household operation, and their accommodation will be mainly apartments at least until the arrival of the first or second child. As the years go by over the next decade and the swollen numbers in this group move into older age groups they will swell the housing market.





The age group over 45 but below retirement will be increasing rapidly, but the growth in office automation may lessen the market impact for those who cannot adapt to the new era. Those who do adapt successfully will be adjusting their spending patterns between conspicuous consumption and estate-building after the separation of their children.

The age group 35 to 44 will be declining in numbers. Since this is the group from which junior executives are recruited, one might expect the declining supply to result in swiftly rising incomes, but the rise of the computer may compensate for the declining supply. Incomes will depend upon ability to cope with the new production system.

Nevertheless, one may expect, given even moderate luck, that the dominant impact of these population trends will be expressed in consumer durables and residential construction (initially apartments but eventually houses). Consumer durables markets will be responding to large replacement requirements and swiftly rising family-formation requirements simultaneously, for the first time, and the implications for potential growth are pleasant to contemplate.

2. The United States population will be changing in a manner similar to Canada's and the implication is a higher growth rate and quickly rising demand for imports from Canada. The growing penetration market in Europe also implies rising demand for Canadian goods.

3. The growth in family formation and residential construction implies large demands for services such as water, sewerage, police and fire protection, insurance and repairs, as well as electricity and fuel, and the growing automobile market implies needs for roads, highways, garages, parking lots, repair parts, and accessory outlets and oil and gas.



4. Business investment in resource development and plant and equipment will respond to the growing market opportunities. Plant and equipment investment will be stimulated by growing replacement requirements as well as requirements for meeting growth in the market.

5. The economy will be stimulated by rising investment in research and development, leading to new products and new methods of production, and the increases in productivity will permit a sustained rise in the potential growth rate of the economy.

The explosion of computer technology is already contributing to productivity and growth, by enabling us to obtain and process facts with a speed and accuracy almost inconceivable only five years ago.

Today one may programme inventory control, sales analysis, profit and loss statements, analysis of expenses, payrolls and tax reports, billing, accounts receivable and payable, cost and price estimation, production schedules, work force requirements and flows of materials and parts, among hundreds of other processes.

The establishment of local service centres is making this technology for data processing and computer work available even to small firms, such as a florist shop.

Automation is another trend that is accelerating. Automation is mechanization supplemented with feedback and self-adjustment so that mechanical work is performed accurately according to preset specifications.

Today computers are being combined with automated machinery and equipment, the computers setting specifications and doing complex calculations for preparing adjustment instructions, and one result is a revolutionizing of the machinery and equipment industries.





Computer automation is making three things possible:

- 1) more precise output, in terms of quantity and quality, with less waste of capital, materials and manhours, 2) more rapid changeover of product set-up, and 3) more rationalization of industry, with more centralization of quantitative problems and more specialization.

Business is already moving us to the age of the automated factory. What is approaching is computer control involving receipt of orders; inventory search, shipment and replenishment; ordering of supplies and transport arrangements; preparation of manufacturing schedules and product mix, labour supply requirements for each station, operation of machinery and equipment according to precise specifications, and arrangement of shipment to wholesalers and retailers, as well as costing, pricing, posting accounts payable and receivable, compiling payrolls and tax reports, and, indeed all the other quantitative problems that can be expressed in mathematical terms.

What is evolving is more distinct clarification of the demarcation between those decisions dependent upon mathematics and those dependent upon human equations, and the allocation of the former to the computer, leaving management free to perform the latter. Nevertheless, one of the main qualifications for management will be an understanding of the type of questions the computer can answer.

6. The economy will be responding to the accelerated rate of exploration and development in the resource industries. The excitement of the Texas Gulf discovery reminds us of the importance of exploration and development. The discovery was made possible by new techniques such as the magnetometer survey and survey analysis, by new hypotheses developed from research, and by





determination, capital and skilled manpower. It is an illustration of the effective utilization of brains, skills and technology to improve the quantity and quality of our available resources essential to growth.

7. We are living in an age when man's accumulating knowledge of physics, chemistry and engineering permits him to create materials that are far superior to those found in nature. We need more of these, but we also need more research into their possible uses and new technology both for producing them at lower cost and for using them competitively.

8. We are living in an age when new theories are being developed, and we cannot foretell when they will begin to reverberate through the economy. The new physics has turned up the theory that gravity is related to or at least influenced by electricity. There is no way of knowing where this will take us, but it may be a breakthrough similar to the theory of relativity and the equation  $E=MC^2$ .

9. The economy is being shaped by the revolution in retailing. The retail trade industry is being transformed as a result of research into the needs and desires of the urban and suburban shoppers, with greater centralization and growing variety of goods and even specialization of outlets in central locations. Some people talk of the new retailing methods as though they were monstrous (just as others look upon automation and in the past looked upon the introduction of automobiles, telephones, electric lights, steam engines, steam shovels, The Bank of Canada and growth of the trucking industry). But the revolution in retailing is merely an example of modern developments that extend the market, create opportunities for specialization and allocate factors of production more efficiently, thereby raising productivity and the level of national wealth and consumption.



10. Economic progress is being influenced by developments in transportation and communications. Changes in transportation are resulting in world-wide trade and travel at a quickly growing rate. The world is shrinking and competition is becoming more possible and severe as aircraft and ships knit the nations together, in terms of speed, access and bulk. competition among aircraft, trains, buses and trucks is intense. Tourists move throughout the country and the world in greater comfort, at higher speeds and lower costs than ever before. Pipeline technology promises to revolutionize the movement of bulk products. Nuclear submarines may eventually move arctic oil to southern and European refineries. Ocean-going exploration and development vessels will be procuring minerals from the ocean floors, and food factories on the oceans may obtain the nutritional requirements for the population explosion.

Developments in communication include, Telestar, and picturephones as well as intercomputer linkages, all of which tend to extend the market and enhance ability to produce efficiently for the market.

International travel, trade and communication are intensifying the exchange of ideas and values, and thereby, among other things, increasing the diversification of tastes within each country.

11. An eleventh force exerting an impact on the economy is urbanization, reflecting both the movement of people from the hinterland to metropolitan areas and the centralization of local regions, as well as the expansion of urban agglomerations. Here is the core of the growing needs for solution to problems of transportation, water, sewerage, energy, air and water pollution and zoning for residential, commercial and industrial uses. The urban





situation is also taking on a new dimension. A West Berlin architect is reported to have designed a 356-story apartment building with a height of 3,750 feet, containing 8,000 apartments for 25,000 tenants and including 1,500 elevators. Perhaps this is visionary at present but probably it is inevitable. In the meantime, apartment buildings are rising continually higher and are being equipped with commercial facilities such as laundry rooms, bridge rooms, swimming pools, lounges, roof gardens, and automatic vending machines for food and other supplies. The trend is in the direction of sky-villages in the midst of urban areas.

Although one may identify some of the population, technological, theoretical and spatial developments that are shaping the future and holding out the promise of growth and prosperity, there are problems of circumstance, evolution and policy that will influence development in both the short and the long run.





## V Some Short-Run Problems

In assessing the potential strength of the growth forces, one must recognize certain factors that differentiate current conditions from those activating the post-war boom. It will be appreciated that there is no vast accumulation of backlogs in the private sector of households and business, that there is no vast accumulation of household and business liquidity, and that there is no longer an absence of international restraints in the form of competition for trade and reserves. If there is to be growth, we cannot rely on it to appear automatically, on the basis of backlogs supported by liquidity, and free of international competition. The prospect for growth is a potential that awaits actualization.

The first task is to assess how the economy may perform between the present and the time when the potential of the younger adult age group may be actualized in terms of demand and work.

1. In the first place, the slow-down in the growth of school age children has ended the boom in public school construction, and, owing to the smaller participation ratios, construction of training schools and universities will not take up the slack.

2. The swift rise in the numbers of young adults appears during a time when productivity is rising quickly. The job opportunities are largely in areas requiring a high standard of skill and education, which many of the teenagers lack, and the result is high unemployment among teenagers.

3. The recent acceleration of research and development expenditures and in investment in plant and equipment means that business will be allocating more charges against revenue in the form of R and D costs and depreciation,



thereby tending to reduce apparent profits and introducing the psychology of narrowing profit margins. The question is whether businessmen will be able to see through this facade to the underlying strength being created.

4. The great cyclical industries have been stimulated to high levels of activity, and to procure continued advance from these levels requires continually growing demand for automobiles and other durables.

5. The United States economy is experiencing balance of payments difficulties while residential and office and public capital construction is weakening. The statistics available so far on next year's capital investment program indicate slowing down after mid-year. Because of the international competition for reserves it may not be so feasible to act through monetary policy in the usual way when growth slows, and fiscal policy is being boxed in by a determination to hold current expenditure levels. Thus, Canadian exports to the U.S. may be restrained after mid-year.

6. Industrial production has flattened out in several overseas economies, including U.K. and France. The U.K. is having balance of payments difficulties, and France is expected to have a balanced budget in 1965 for the first time in 36 years. There has been no expansion in industrial production for the aggregate of E.E.C. countries since the beginning of this year. Thus, it is becoming difficult to expand exports to several European markets.

7. Sensitive industrial materials prices in the U.S. have begun to rise, and monetary policy is tending to become more stringent, while federal budgets in both Canada and U.S. are moving towards balance.

8. Under the fixed exchange rate monetary policy is handicapped in dealing with weakening economic conditions, and the burden is placed on fiscal policy.





The implication of these conditions is that it would be hazardous simply to look at the population figures and extrapolate recent growth rates straight up to the end of the decade. There are enough short-run questions to justify the requirement that policies be shaped with care to take us through any problems that may emerge after mid-1965.





## VI Some Long-Run Problems

On the other hand, the ~~potentials for accelerated~~ growth in the latter part of the decade are enormous. The problem is one of ensuring that we capitalize on these potentials.

One of the handicaps we face is Canada's high capital-output ratio that reflects a wastage of capital in the form of too much duplication of facilities for producing specific products and of too wide a variety of products produced in each establishment in some industries. The result of this wastage of capital is not only high overhead charges against revenue, but more particularly small production runs that result in high overhead and operating costs per unit of output.

One plausible approach to this problem is to encourage exports so that production grows up to the facilities, but the prospects for such a growth in exports depend upon decisions in other countries, and it may take many years for exports to reach the required level. Thus, if we were to rely on this approach alone it would mean accepting the high capital-output ratio for many years. Looking at the matter in another way, if capital wastage can be reduced, capital charges against revenue will be reduced along with total cost per unit of output and the industry will be more competitive with foreign producers. This may be a more dependable approach to increasing exports.

The problem has many sources and many complexities and requires thorough examination, and care must be exercised in avoiding a cure that is worse than the disease.

A second problem is Canada's wastage of human capital. This is a case/<sup>of</sup> penny-wise, pound-foolish. Society invests a certain amount in producing each potential member of the labour force, most obviously through expenditure for education, yet in many cases the investment is not sufficient to produce an



efficient worker who can augment the G.N.P. to the optimum of his potential over his life-span. The result is that many people in whom society has invested do not produce a return on the investment because of the underinvestment. If investment falls short of the potential of the individual, the result is a wastage of human capital.

We need more examination of this problem in order to ascertain how we can ensure investment in each person appropriate, in quantity and type, to the individual potential.

A third problem we meet is the wastage inherent in our urban areas. Inefficient transportation systems impose an enormous cost on the economy. Speculative tying up of valuable real estate with slum housing and other run-down buildings, forcing development in less efficient locations, results in enormous waste of potential productivity in the urban areas. Poor administration of air pollution laws results in wastage of human capital and therefore in higher cost of production in the economy. These are merely examples of the waste involved in the poor development, organization and redevelopment of our urban areas.

A fourth problem is the underdevelopment of our research and technological industries in Canada. The economy in the age into which we are moving must be fed continuously with new knowledge, and this growing stock of knowledge can be obtained only through organized and massive research. In addition, a large part of that knowledge must be incorporated into new machinery and equipment, and this depends not only upon the stock of knowledge but the existence of technological skills and of a fully-developed machinery and equipment industry.





A fifth problem is that of ensuring a high degree of mobility of labour and capital in the economy so that they are continually being allocated where the returns are highest. This mobility must be enhanced geographically as well as among industries and products and among occupations and professions. Without such mobility the improvement in productivity and growth rate will be retarded.

The Ontario Government is mobilizing and applying resources for confronting these and other long-run economic problems, and considerable progress has been made. The educational system is being reformed. The transportation facilities being developed and planned for Toronto constitute an imaginative approach to the problem in that area. The expansion of the Ontario Research Foundation is an essential step in the direction of procuring adequate research work. Policies that retard mobility are held to a minimum. A prerequisite of continued success in confronting the long-run problems is public understanding and support of the adoption of programs designed to improve the productivity and growth rate of the economy.



Conclusion

Thus, in one sense 1964 sees us in the foothills of a steeply rising mountain of potential demands on our resources, but in another sense we confront a period in which adjustments may be necessary before we can launch the advance up that mountain. The problem is that not only is the climbing under man's direction, but the mountain itself will be man-made and until it is produced it is merely potential awaiting man's efforts to actualize it.

If we cope successfully with our short-run problems we can traverse the foothills and expect to encounter a mountain of demand appropriate to our resources available for production, and if we cope with our long-run problems our resources can be utilized efficiently, competitively and to the fullest extent.

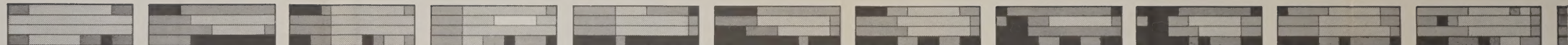




# CLASSIFICATION OF LABOUR MARKET AREAS IN ONTARIO

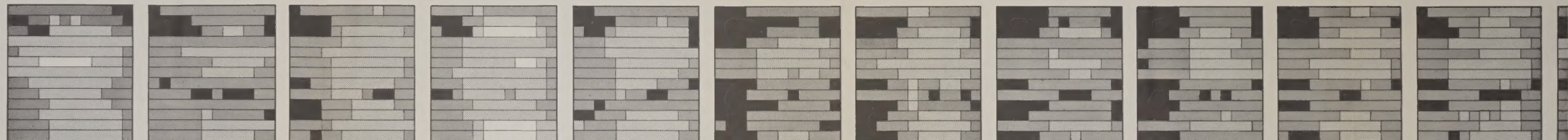
## METROPOLITAN AREAS (1)

HAMILTON  
OTTAWA  
TORONTO  
WINDSOR



## MAJOR INDUSTRIAL AREAS (2)

BRANTFORD  
CORNWALL  
FORT WILLIAM—PORT ARTHUR  
GUELPH  
KINGSTON  
KITCHENER  
LONDON  
NIAGARA PENINSULA  
OSHAWA  
PETERBOROUGH  
SARNIA  
SUDBURY  
TIMMINS—KIRKLAND LAKE



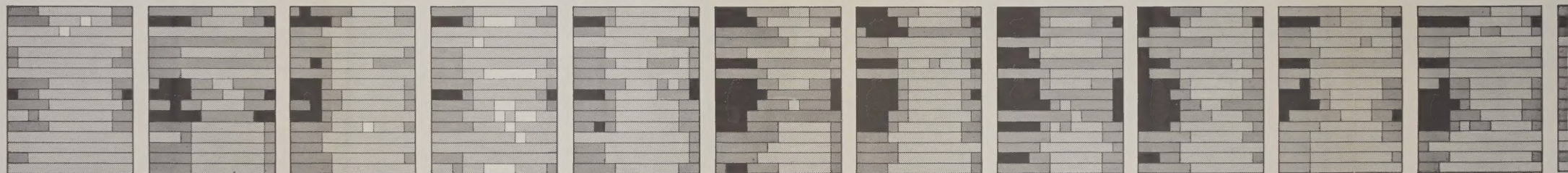
## MAJOR AGRICULTURAL AREAS (3)

BARRIE  
CHATHAM



## MINOR AREAS (4)

BELLEVILLE—TRENTON  
BRACEBRIDGE  
BRAMPTON  
GALT  
GODERICH  
LINDSAY  
LISTOWEL  
NORTH BAY  
OWEN SOUND  
PEMBROKE  
SAULT STE. MARIE  
SIMCOE  
ST. THOMAS  
STRATFORD  
WALKERTON  
WOODSTOCK—TILLSONBURG



J F M A M J J A S O N D 1953 J F M A M J J A S O N D 1954 J F M A M J J A S O N D 1955 J F M A M J J A S O N D 1956 J F M A M J J A S O N D 1957 J F M A M J J A S O N D 1958 J F M A M J J A S O N D 1959 J F M A M J J A S O N D 1960 J F M A M J J A S O N D 1961 J F M A M J J A S O N D 1962 J F M A M J J A S O N D 1963 J

■ Substantial Surplus ■ Moderate Surplus ■ Approximate Balance □ Labour Shortage

- (1) Labour force more than 75,000  
(2) Labour force 25,000—75,000 (60% or more in non-agricultural activity)  
(3) Labour force 25,000—75,000 (40% or more in agriculture)  
(4) Labour force 10,000—25,000  
SOURCE: Labour Gazette



